

Treasury Department,

Bureau of the Mint,

Washington, D. C., February 1, 1899.

Mr. A. J. Ralston,
President, Selby Smelting & Lead Co.,
San Francisco, California.

Dear Sir:

Your favor of January 23rd is at hand, and I wish to thank you for the uniform courtesy which this Bureau has received at your hands. I must own to being somewhat dilatory about replying to your former letter. One reason for it was that I have written a number of letters and conferred with a number of people in San Francisco upon the same subject, covering the points suggested in your letter quite fully, and as you all seem to be in conference upon the subject, I have assumed that you were fully informed as to my position. Furthermore I have thought that there might be new developments upon it at any time and you perhaps have felt some reluctance to do very much writing when you had very little new to say.

The arguments and protests from San Francisco have not failed because I have been entirely satisfied with existing conditions, but because I have been at a loss to know how to so change them as to make them entirely satisfactory. When this matter is settled I would like it to stay settled. I do not wish to make a change for the mere purpose of escaping one set of protestants only to find myself facing another. I do not want to seek justice to San Francisco by doing injustice to Seattle but would like to reach an arrangement

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which would place both on an exact equality before the public, permitting each to receive the bullion their channels of trade will naturally carry to them.

I have gone over the various phases of the matter quite fully in a letter mailed today to Mr. Hugh Craig, President of the Chamber of Commerce and I beg that you and he will both pardon my making reply to you by enclosing a copy of the letter written to him.

The only satisfactory adjustment of the matter that I can conceive of is to pay at Seattle by draft on San Francisco or in cash at the option of the depositor. The result of this offer I presume will be that most of the payments will have to be made in cash. This you will understand means that the Government not only pays the cost of transporting bullion from Seattle to the Mint but bears the expense of returning it in the shape of coin, a solution which I think you will agree is not one to be accepted with alacrity. It involves at the present rate of transportation between Seattle and San Francisco a much larger outlay than we have funds to meet. It is sometimes admissible to create a small deficiency for purposes that have been recognized by Congress, but I do not think the Bureau would be justified in creating such a deficiency as this would cost and for this purpose. I am personally unwilling to assume such a responsibility.

I have already suggested to Mr. Leach, Superintendent of the Mint at San Francisco, the terms upon which I think we might meet the Express Company for transportation between the two points. I noted your suggestion that the Company would be willing to make

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concession if assured that the bullion would be allowed to come to San Francisco. I do not understand precisely what they want in the way of assurance. Certainly they risk nothing in making a proposition which they are willing to stand by and I assure you that this Bureau would be very glad to send more business to the Mint at San Francisco if permitted to do so at rates consistent with the public interest.

Very truly yours,



Director of the Mint.